

There was widespread fear that healthcare systems of many third-world countries, particularly in Sub-Saharan Africa, would grind to a halt following the sudden dismantling of the US overseas development agency in January 2025. A year later, many countries have shown remarkable resilience but are still at a crossroads regarding financial self-sustainability, write **Frederic Musisi, Elizabeth Kamurungi & Kenneth Odele.**

The daily struggles, from patient overcrowding and inadequate medical personnel, to drug stock-outs, at Kumi Health Centre IV in Kumi District, mirrors the situation in many of the 3,432 health centres at various levels across the country.

That is not forgetting the entire healthcare system which was long ignored by those in charge, since they have access to treatment at private hospitals or out of the country.

The dismantling of the United States Agency for International Development (USAID), the erstwhile body responsible for administering civilian foreign aid and global development, in 2025, added another layer of struggle.

Some of the challenges include the laying off of critical healthcare staff and cessation of health services, particularly in HIV/Aids, malaria treatment, and maternal and child health, family planning and reproductive health. This is not just in the Teso Sub-region but across the country.

Around 70 percent of annual (non-humanitarian) USAID-administered aid for Africa supports health programmes, with HIV/Aids assistance being the largest category of US aid to Sub-Saharan Africa, according to a November 2023 US Assistance for Sub-Saharan Africa: An Overview report prepared for Congress.

Struggling VHTs

Hundreds of Village Health Teams (VHTs) working across HIV/Aids management and prevention, supported through various USAID

WHEN THE HAMMER HIT

All came to a screeching halt on January 20, 2025, when US President Donald Trump returned to the White House. He started off by signing a flurry of Executive Orders, including one pausing the foreign aid programme for 90 days pending a review of "programmatic efficiencies and consistency" with the US foreign policy.

He also announced Washington's divorce from the World Health Organisation, which was finalised in January this year. Wit-

Health sector struggles to



A congested patient ward at Fort Portal Regional Referral Hospital in 2019. PHOTO | FILE

initiatives and the US President's Emergency Plan for Aids Relief (PEPFAR), were rendered redundant. Reports abound of disruptions to health services previously financed through USAID.

Immaculate Alupo, a VHT in Kumi, likened her situation to falling from a tree, following the unplugging of USAID cash. "There is a lot of work to do across the villages, and we loved our job. Today, though, we are in a fix because we cannot work for free as we have families to take care of," she said.

Her plight mirrors that of John Robert Opedun, also a VHT member, who was employed under The Aids Support Organisation (TASO)'s Triple Elimination initiative to eliminate the mother-to-child transmission of HIV, Syphilis, and Hepatitis B.

"The communities need our services and some still reach out to us. We try our best on a voluntarily basis but we also have families to feed, and cannot keep working without any remuneration. The government should look into this matter," he lamented.

USAID was a key financier of TASO's activities, to the tune of \$17 million (\$hs63b) according to USAID's 2024 audited accounts, including HIV/Aids prevention, care, and treatment programmes.

The Ministry of Health midwifed the VHT programme in 2001 to bridge the

gap between local populations and formal health facilities and to mobilise communities for health initiatives. The VHTs who are over 170,000, according to some sources were initially employed voluntarily, but were later given a \$hs100,000 monthly allowance.

According to the Health ministry and several reports, VHTs on various USAID-funded health programmes were trained, equipped, and facilitated to work across villages countrywide.

Donor dependency syndrome

Dr Emmanuel Ongala, the Kumi District health officer, acknowledged the widespread impact of the cessation of USAID funding. It was not only a key health programmes but also bankrolled human resources, laboratory research, and community outreach initiatives.

"Right from the provision of HIV care, to malaria prevention and maternal health, the impact is felt. For instance, for HIV care, there was a partner who was getting money directly to support various activities, but they had to close their office at the district, leaving behind a big gap. Therefore, we are struggling regarding outreaches, response to treatment, and collecting samples from patients in the communities. I think we are also grappling with a reduction in the quality of care of mother-to-child

the money.

The Trump administration, and his then cost-cutting tsar Elon Musk's Department of Government Efficiency (DOGE), further propagated 83 percent, under USAID. He argued that it was nurturing an "NGO industrial complex" at the expense of US taxpayers amid wastage and fund mismanagement.

Secretary Rubio revealed that since 1991, USAID had funneled \$165b (\$hs618 trillion) to Africa, but other than some African countries voting with the US on key resolutions at the UN General Assembly, there was nothing to show for

transmission," he revealed.

According to the Health Sector Off-budget Tracking report, the government's financing stood at \$hs2.5 trillion, representing 43 percent, while total development assistance stood at \$hs1.556 trillion, representing an increase of 30 percent, from \$hs1.198 trillion.

USAID led the pack for off-budget health financing with \$hs652b, followed by US Centres for Disease Control (CDC) with \$hs586.4b, and the World Health Organisation (WHO) with \$hs159b. These are followed by the United Nations Population Fund (UNFPA) with \$hs69b, and Unicef with \$hs58b, among others. CDC and USAID contribute(d) the highest amount to HIV/Aids services. Some 1.4 million people are living with HIV in Uganda.

Dr Jane Ruth Aceng, the former minister of health, told the *Daily Monitor* that the government promptly responded with \$hs440b to maintain the health services previously financed by USAID. However, development aid financing for health has shifted markedly.

"That is why you never saw stockouts of antiretroviral drugs or anti-malarial drugs, or test kits. That was addressed," Dr Aceng revealed.

There was widespread fear that Uganda's healthcare system, along with that of several third-world countries,

expanding atheism in Nepal.

Consequently, on July 1, USAID was folded as a department into the Department of State. The exact extent of the impact of USAID's closure is yet to be qualified and quantified, beyond widespread reports of disruption to key activities previously supported, local NGOs folding or struggling, and an estimated 29,000 personnel rendered redundant in Uganda.

Out of USAID's \$35.4b (\$hs133 trillion) budget in 2024, at least \$12.3b (\$hs46.1 trillion) was spent in sub-Saharan Africa, of which \$653m (\$hs2.44 trillion) was spent

would suffer major interruptions owing to the cessation of USAID, amid the across-the-board dwindling decline in development assistance for health as the traditional donors reconsider their contributions or focus on problems closer to their homes.

The Health Metrics and Evaluation (IHME), which develops evidence that informs health policy at the University of Washington, indicates that development assistance for health fell from \$49.6b (\$hs186 trillion) in 2024 to \$39.1b (\$hs147 trillion) in 2025 across the world.

The US led the pack for aid reductions in 2025 with \$9b (\$hs33.7 trillion), followed by other traditional donors like the UK, which cut development assistance for health by 39 percent, France by 33 percent, and Germany by 12 percent.

Africa's health sector, according to an April 2025 report by the African Union CDC, saw a sharp decline of 70 percent in development assistance from 2021 to 2025, compounding deep-rooted structural vulnerabilities.

Some critics have variously argued that the closure of USAID and realignment of development assistance for health is the much-needed shock therapy for poor countries. With this, they will start rethinking their priorities and financing much of their development needs through rallying

in Uganda. The November 2023 report to Congress detailed Nigeria, Mozambique, Tanzania, Uganda, Kenya, and South Africa as the top 10 recipients of non-emergency State Department and USAID-managed aid allocations in 2022.

According to the Ministry of Health's Health Sector Off-budget Tracking report for the 2023/2024 financial year, USAID disbursed the highest amount of \$hs652b to the sector through 27 projects, including HIV/Aids care, tuberculosis research, and malaria prevention, all of which were disrupted.

transition from donor money

private sector capital, regional collaborations, and public private partnerships (PPPs), among other innovative ways.

At crossroads

To the reprise of many poor countries, in the place of USAID, the Trump administration introduced bilateral health cooperation agreements under the America First Global Health Strategy to several poor countries around the world. This comes with certain conditions including specimen—sharing physical pathogen specimens and genetic sequence data within five days of detection—and data sharing—granting Washington or its contractors access to national health data systems—attached to finance their healthcare systems.

As of May 2026, some 31 countries in Africa, Latin America, and the Asia Pacific had inked the MoUs. Some countries like Ghana, Zimbabwe, and Zambia have rejected the deal over national sovereignty sensitive data-sharing requirements.

On the flip side, Dr Aceng said, "The US government has signed a Memorandum of Understanding (MoU) with the government of Uganda that will see us get about \$1.7b (\$hs6.3 trillion)."

Uganda signed the five-year cooperation agreement last year

Way forward. ...at some point, countries have to figure out a solution for themselves because of donor fatigue," - Dr Deus Bazira, director, Georgetown University Global Health Institute

on December 10, upon which Kampala will receive \$hs6.3 trillion staggered over the next five years, starting 2026. On the other hand, the government committed to increasing health sector financing to \$577m (\$hs2.1 trillion).

The government defended the MoU and its resultant financing as crucial for funding salaries for local health workers and keeping key healthcare services, previously under USAID, running.

Within 48 hours after the surging Ebola outbreak in the neighbouring DR Congo, the State Department announced activation of a response plan and mobilised an initial \$13m (\$hs48.7b) in foreign assistance.

That was to bolster the response by the governments of Uganda and DR Congo; supporting surveillance, laboratory capacity, risk communication, safe burials, entry and exit screening, and clinical case management.

This is an indication of how far many countries in Sub Saharan Africa have to go to self-sustain financing their health systems, including disease outbreak

detection and response systems.

Conversely, in 2001, the 55 African Union (AU) member states signed the Abuja Declaration committing to allocate at least 15 percent of their national budgets each year to improving their healthcare systems. However, only a handful of countries, including Rwanda, Botswana, and Cape Verde have stepped up to the occasion.

In a similar fashion, a group of African countries has rallied behind a new initiative dubbed the Africa Reset, spearheaded by the Ghanaian President, John Mahama, with the aim of African countries' self-sustaining healthcare financing.

The initiative is born out of the challenges of dependence on external financing, limited influence in global decision-making, and constraints in executing long-term national priorities, which many African countries are grappling with, long-standing teething problems the Abuja Declaration sought to address.

The President of Ghana convened the first Africa Reset meeting on August 5, 2025, attended by a few current and former African presidents, health and finance ministers, and other heads of continental and global, multilateral bodies.

Accordingly, the meeting agreed that Africa must move from aid dependency to self-determination and fleshed out a process for reimagining a global health governance architecture in which Africa shares power and accountability.

A follow-up meeting was convened in Kampala in late March, attended by representatives from Tanzania, Eswatini, Senegal, Zambia, Botswana, Uganda, Kenya, and Tanzania. Dr Aceng said the discussions held are meant to encourage countries to understand that they need to begin doing things on their own as opposed to relying on partners.

"We need to know how and what to prioritise plus how to use our resources efficiently. We also need to know where to get support from partners. The partners need to understand that their resources must be aligned with the government's priorities. So, it is a deliberate action for us to be able to have dialogue with our partners and tell them that our priorities matter," she said.

Dr Deus Bazira, the director of the Georgetown University Global Health Institute, a university-wide platform for supporting research, told the *Daily Monitor* that the discourse on health sovereignty through initiatives like the Africa Reset is long overdue.

"The reason these countries come together is because of health sovereignty, which is bigger than financing or programming. Sovereignty is really in the simplest terms,

the ability to determine your own destiny. Whether it is over the health of your people, your economy, or your governance," Dr Bazira said during an interview from Washington DC.

He added that even before President Trump's return to office and the subsequent dismantling of USAID, "those of us in the health space" at a global level already recognised

that overseas development assistance for health was dropping. It only ticked up during the Covid-19 pandemic, but the trend had always been going down. For example, between 2021 and 2024, you still had some residual Covid-19 funding, which peaked at about \$12b (\$hs45 trillion)," he said.

Prior to that, Dr Bazira said, in 2019, funding had been at

\$11.2b (\$hs42 trillion) but in 2021 it dropped to \$11.5b (\$hs43 trillion); then \$10.3b (\$hs38.6 trillion) in 2022; \$9.1b (\$hs34 trillion) in 2023; and \$7.8b (\$hs29.3 trillion) in 2024.

"But then also, the global aid community fell short of their own promises and commitments, which was mostly around, aid domestication. The agenda had

been that countries which were receiving aid would be put in the leadership role, so they can set the agenda and priorities, and make the key decisions.

That way, whatever interventions came out of the resources invested in those countries were owned by the citizens leading to sovereignty. All that did not happen," Dr Bazira said.